

EXHIBIT 19

February 23, 2018

Via Electronic Mail

Nancy A. Mitchell
Greenberg Traurig, LLP
MetLife Building
200 Park Avenue
New York, NY 10166

John B. Hutton III
Greenberg Traurig, P.A.
333 SE 2nd Avenue
Suite 4400
Miami, FL 33131

John Rapisardi
Suzanne Uhland
O'Melveny & Myers LLP
7 Times Square
New York, New York 10036

Martin J. Bienenstock
Paul V. Possinger
Proskauer Rose LLP
11 Times Square
New York, NY 10036

Re: *In re The Financial Oversight and Management Board for Puerto Rico as
representative of Puerto Rico Electric Power Authority*, No. 17-04780,
Joint Request for Additional Information

Counsel:

As you know, during the February 15, 2018 final hearing on the PREPA financing motion (the “Hearing”), Judge Swain declined to grant the Movants’ request for postpetition financing in part because the Movants had: (i) “proffered no evidence” of negotiations for an unsecured facility or one without priming liens;¹ (ii) “fail[ed] to provide sufficient demonstration that the size of the proposed loan is appropriately tailored to PREPA’s actual needs”;² and (iii) failed to show that “the risk of a large outstanding balance on the eve of plan confirmation . . . is justified.”³ Judge

¹ Hearing Transcript at 231:18-24; *see also id.* at 234:3-5 (“[T]his record is devoid of negotiation history...”).

² *Id.* at 233:10-12.

³ *Id.* at 233:14-16.

Swain also ruled that the Movants—before seeking any further financing above \$300 million—must develop a “more appropriate record.”⁴

On February 20, 2018, Dustin Mondell of Rothschild sent Steve Spencer a letter seeking commitment financing of a \$1 billion loan by no later than March 14, 2018 (the “Request for Commitments”). On February 21, counsel for the Ad Hoc Group of PREPA Bondholders were informed that the Request for Commitments could be distributed to principals on a non-restricted basis.

Moreover, in the Court’s *Order (A) Authorizing Debtor Puerto Rico Electric Power Authority to Obtain Postpetition Financing, (B) Providing Superpriority Administrative Expense Claims, and (C) Granting Related Relief*, Dkt. No. 744 (the “Financing Order”), Judge Swain ordered that “The Debtor will consider reasonable requests for additional information in good faith.”⁵

Consistent with the Court’s rulings, the Ad Hoc Group of PREPA Bondholders, National Public Finance Guarantee Corporation, Assured Guaranty Corporation, Assured Guaranty Municipal Corporation, Syncora Guarantee Inc., and U.S. Bank National Association (collectively, the “PREPA Creditors”) hereby submit six (6) targeted requests for additional information from the Movants.

Much of this information should have already been provided pursuant to prior discovery requests but was not.⁶ The PREPA Creditors expect that the Movants will consider the below requests in good faith, as the Court ordered, and provide the requested information so as to develop a more appropriate record before seeking further anticipated postpetition financing for PREPA.

The PREPA Creditors hereby submit the following requests for additional information:⁷

1. A current PREPA Monthly Liquidity Model/Monthly Liquidity Forecast that includes monthly liquidity forecasts for Fiscal Year 2019.
2. Documents related to any negotiations for a postpetition financing facility for PREPA, including (but not limited to) Documents related to any negotiations for a facility (a) that would provide unsecured credit allowable as an administrative expense; or (b) that would not involve priming liens.

⁴ *Id.* at 232:14; *see also id.* at 234:7-13 (“This near-term provision [regarding the \$300 million] comes with the expectation of further development of the record concerning the availability of further unsecured financing and facts that would address the fairness issues the Court has identified, all of this in aid of consideration somewhat further out, of an application for approval of a larger facility with priority and/or priming provisions.”).

⁵ Financing Order at ¶ 15. Such information is additional to what the Debtor is obligated to provide under the reporting requirements set forth in Article V of the Credit Agreement. *See id.*

⁶ In fact, the PREPA Creditors had sent three discovery deficiency notices to the Movants, yet the majority of the discovery deficiencies identified therein were never cured.

⁷ Capitalized terms in these requests shall have the same meanings ascribed to them in the Joint Request for the Production of Documents served by the PREPA Creditors on January 31, 2018 (the “Prior Request”). Likewise, the same instructions shall apply to these requests as in the Prior Request.

- a. Understanding that negotiations have begun recently and will be ongoing, the PREPA Creditors will accept productions of such documents on a rolling basis subject to the time constraints of a renewed DIP motion.
3. Documents related to PREPA's operating reserve, including (but not limited to) Documents evidencing: (a) the basis for such reserve; (b) the calculation and sizing of such reserve; (c) the projected uses of such reserve; and (d) the basis for the Movants' statement that, if PREPA's reserve dips below \$100 million, PREPA will be "incapable of paying for certain critical ongoing operations and will [be] incapable of providing power services for anyone other than critical and necessary customers" (Hearing Tr. at 8:19-25).
 - a. In connection with this request, the PREPA Creditors ask that PREPA make available for deposition Mr. William Ríos Mena, PREPA's Director of Generation.
4. Documents sufficient to show: (a) specific breakdowns of PREPA's governmental accounts receivable by municipalities, public corporations, the Commonwealth central government, and Commonwealth agencies and instrumentalities; (b) all documents related to and supporting such accounts receivable, including (but not limited to) invoices, other records, and the electronic information used in creating the previously produced Accounts Receivable Aging Report (PREPA-AHBHG 0007867-7870 [Objectors' Ex. D]); (c) any disputed amounts related to such accounts receivable, including the basis for such disputes; (d) all efforts to collect accounts receivable on an ongoing basis, including (but not limited to) the meetings on February 5 and 6, 2018 as well as other communications between PREPA and other governmental entities or their representatives; and (e) any payments made toward such accounts receivable since the time of the previously produced Accounts Receivable Aging Report.
 - a. In advance of the Hearing, PREPA's counsel and Mr. Filsinger indicated that the documents produced were, to the best of their knowledge, all documents in PREPA's possession related to PREPA's governmental accounts receivable. Given the parties are no longer facing such a condensed timeframe, and in light of the fact that it is reasonable to assume that additional responsive documents exist, the PREPA Creditors request that you undertake further and more comprehensive efforts to identify Documents responsive to this request. For example, in order to receive clean audit opinions in the past, PREPA must have demonstrated to Ernst & Young that it had appropriate documentation to support the receivables on its books and records.
5. Documents related to any emergency plans or measures implemented by PREPA following the Hearing, including (but not limited to) Documents evidencing any planned electrical shutdowns, service interruptions, brownouts, blackouts, or generation reduction, as well as designations of critical and non-critical customers.
6. Documents related to Governor Rosselló's moratoria on electrical cutoffs and estimated billing, including (but not limited to) implementation of such moratoria, designation of critical and non-critical customers, and requests to modify or end such moratoria.

The requested information is relevant to any future proceeding to approve postpetition financing and the PREPA Creditors anticipate that most, if not all, of the information would become part of the public record in any such proceeding. It is also necessary for principals to respond to the Request for Commitments. Accordingly, we ask that the requested information be made available to principals on a non-confidential, non-restricted basis, excepting only particular information in the fifth paragraph identified by PREPA as implicating health, safety, or other operational issues.

This Joint Request for Additional Information is without waiver of any rights or arguments that the PREPA Creditors may have with respect to the Movants' responses to discovery requests and the production of documents, known or unknown at this time. The PREPA Creditors reserve all rights to propound additional discovery requests in the future, and/or to seek appropriate relief from the Court.

Sincerely,

/s/ Gregory A. Horowitz

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attn: Gregory A. Horowitz
Phone: 212-715-7772
Fax: 212-715-8000
ghorowitz@kramerlevin.com

*Counsel to the Ad Hoc Group of PREPA
Bondholders*

/s/ Robert S. Berezin

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attn: Robert S. Berezin
Phone: 212-310-8884
Fax: 212-310-8007
robert.berezin@weil.com

*Counsel to National Public Finance
Guarantee Corp.*

/s/ Clark T. Whitmore

Maslon LLP
90 South Seventh Street, Suite 3300
Minneapolis, MN 55402
Attn: Clark T. Whitmore
Tel.: (612) 672-8200
Fax: (612) 672-8397
Email: clark.whitmore@maslon.com

*Counsel for U.S. Bank National
Association, in its capacity as
PREPA Bond Trustee*

/s/ Ellen M. Halstead

Cadwalader, Wickersham & Taft LLP
200 Liberty Street
New York, New York 10281
Attn: Ellen M. Halstead
Phone: 212-504-6000
Fax: 212-504-6666
ellen.halstead@cwt.com

*Counsel to Assured Guaranty Corp. and
Assured Guaranty Municipal Corp.*

/s/ My Chi To

Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022
Attn: My Chi To
Phone: 212-909-7425
Fax: 212-909-6836
mcto@debevoise.com

Counsel to Syncora Guarantee Inc.